PROVENTUS COMMODITIES DMCC

Reports and financial statements

For the year ended 31 March 2022

Registered office:

Unit No. 3551, DMCC Business Centre,
Level No. 1, Jewellery & Gemplex 3
Dubai, U.A.E.

PROVENTUS COMMODITIES DMCC

Reports and Financial Statements
For the year ended 31 March 2022

CONTENTS *PAGE*

PROVENTUS COMMODITIES DMCC

Director's Report

The Director submits his report and financial statements for the financial year ended 31 March 2022.

Results and dividend

Loss for the year amounted to AED 234,267/-.

Review of the business

The company is registered and engaged in trading of grains, cereals, legumes, spices, dried vegetables, fruit, ghee, vegetable oil and nuts.

Events since the end of the year

There were no important events, which have occurred since the year-end that materially affect the Company.

Shareholders and their interests

The shareholder at 31 March 2022 and its interest in the share capital of the company was as follows:

Name of the shareholder	*Country of incorporation*	*No. of shares*	*AED*
Proventus Agrocom Private Limited	India	2,302	2,302,000

Auditors

A resolution to re-appoint KSI Shah & Associates as auditors and fix their remuneration will be put to board at the Annual General Meeting.

By order of the Director

DUBAI - U.A.E.
PROVENTUS COMMODITIES DMCC

Mr. Deepak Kumar Agrawal
Director

Independent Auditors' Report to the Shareholder/Directors' of PROVENTUS COMMODITIES DMCC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **PROVENTUS COMMODITIES DMCC** (the "Company"), which comprises of the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of 31 March 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the director's report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report to the Shareholder/Directors' of PROVENTUS COMMODITIES DMCC

Report on the Audit of the Financial Statements (contd.)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We further confirm that we have obtained all information and explanations necessary for our audit and that proper financial records have been maintained by the company in accordance with the DMCC Company Regulations No. 1/03 issued in 2003. To the best of our knowledge and belief, no violations of said regulations have occurred which would have had a material effect on the business of the company or on its financial position.

KSI Shah & Associates

For KSI Shah & Associates
Dubai, U.A.E.
Signed by:
Sonal P. Shah (Registration No. 123)

P.O. Box 71241
Dubai - U.A.E.
KSI SHAH & ASSOCIATES

2 September 2022

PROVENTUS COMMODITIES DMCC

Statement of Financial Position
As at 31 March 2022

	Notes	*2022* *AED*	*2021* *AED*
ASSETS			
Current assets			
Trade and other receivables	6	**283,090**	1,258,680
Cash and cash equivalents	7	**877,236**	471,351
Total current assets		**1,160,326**	1,730,031
TOTAL ASSETS		**1,160,326**	1,730,031
EQUITY AND LIABILITIES			
Equity			
Share capital	8	**2,302,000**	2,302,000
Retained earnings		**(1,275,161)**	(1,040,894)
Total equity		**1,026,839**	1,261,106
LIABILITIES			
Current liabilities			
Trade and other payables	9	**133,487**	468,925
Total current liabilities		**133,487**	468,925
TOTAL EQUITY AND LIABILITIES		**1,160,326**	1,730,031

The accompanying notes 1 to 15 form an integral part of these financial statements.
The Independent Auditors' Report is set forth on pages 2 to 4.
Approved by the directors on 2nd September 2022.

For PROVENTUS COMMODITIES DMCC

Mr. Deepak Kumar Agrawal
Director

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Ms. Neha Devpura
Director

PROVENTUS COMMODITIES DMCC

Statement of Comprehensive Income
For the year ended 31 March 2022

	Notes	*2022* *AED*	*2021* *AED*
Sales		7,194,743	4,970,537
Cost of sales	10	(7,382,294)	(4,894,623)
Gross (loss)/profit		(187,551)	75,914
Expenses	11	(46,716)	(66,462)
(Loss)/Profit for the year		(234,267)	9,452
Other comprehensive income for the year		-	-
Total comprehensive (loss)/income for the year		(234,267)	9,452

The accompanying notes 1 to 15 form an integral part of these financial statements.

PROVENTUS COMMODITIES DMCC

Statement of Changes in Equity
For the year ended 31 March 2022

	Share capital AED	*Retained earnings AED*	*Total AED*
At 1 April 2020	2,302,000	(1,050,346)	1,251,654
Profit for the year	-	9,452	9,452
At 31 March 2021	**2,302,000**	**(1,040,894)**	**1,261,106**
(Loss) for the year	-	(234,267)	(234,267)
At 31 March 2022	**2,302,000**	**(1,275,161)**	**1,026,839**

The accompanying notes 1 to 15 form an integral part of these financial statements.

PROVENTUS COMMODITIES DMCC

Statement of Cash Flows

For the year ended 31 March 2022

	Notes	*2022* *AED*	***2021*** ***AED***
Cash flows from operating activities			
(Loss)/Profit for the year		(234,267)	9,452
Decrease in trade and other receivables	6	975,590	560,354
Decrease in trade and other payables	9	(335,438)	(513,302)
Net cash generated from operating activities		**405,885**	56,504
Net increase in cash and cash equivalents		**405,885**	56,504
Cash and cash equivalents at the beginning of the year		471,351	414,847
Cash and cash equivalents at the end of the year	7	**877,236**	471,351

The accompanying notes 1 to 15 form an integral part of these financial statements.

PROVENTUS COMMODITIES DMCC

Notes to the Financial Statements

For the year ended 31 March 2022

1 General information

a) **PROVENTUS COMMODITIES DMCC** ("The Company") is a free zone company with limited liability registered on 19th May 2016, with the Dubai Multi Commodities Centre, Dubai, U.A.E., under trading license numbers DMCC-228052 and DMCC–195555 (expired on 18 May 2019 and under termination).

b) The company is registered and engaged in trading of grains, cereals, legumes, spices, dried vegetables, fruit, ghee, vegetable oil and nuts.

2 Basis of preparation

2.1 Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting years beginning on or after 1 January 2021 and the applicable rules and regulations of the Dubai Multi Commodities Centre.

2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) which are being measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.3 Functional and presentation currency

These financial statements are presented in U.A.E. Dirhams, which is the company's functional and presentation currency.

3 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3.1 Critical judgements in applying accounting policies

The significant judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

3 Use of estimates and judgments

3.1 Critical judgements in applying accounting policies (continued)

Impairment

At each reporting date, management conducts an assessment of all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

In making their judgement, the management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Company had transferred control of the goods to the customer. Following the detailed quantification of the Company 's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the management is satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision for the rectification costs.

Revenue from contracts with customers

• Timing for transfer of control of goods

In case of performance obligation satisfied at point in time, the control of goods is transferred, when physical delivery of the goods to the agreed location has occurred, as a result, the company has a present right to payment and retains none of the significant risks and rewards of the goods.

• Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty and assumptions at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

The loss allowances for financial assets are based on assumptions about the risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting year.

Revenue from contracts with customers

• Determining the transaction price:

The Company's revenue is from sale of goods is derived from fixed price contracts with customers and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Based on the historical performance of the company, it is highly probable that there will not be reversal of previously recognized revenue on account of the return of goods or volume rebates.

PROVENTUS COMMODITIES DMCC

Notes to the Financial Statements
For the year ended 31 March 2022

3 Use of estimates and judgments

3.2 Key sources of estimation uncertainty (continued)

• Allocating the transaction prices:

There is a fixed unit price for each item sold to the customer. Therefore, there is no judgment involved in allocating the contract price to each unit ordered in contracts with customers. Where a customer orders more than one item, the Company is able to determine the split of the total contract price between each item by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

• Provision of rights to return goods, volume rebates and other similar obligations:

The Company reviews its estimate of expected returns at each reporting date on basis of the historical data for the returns, rebates and other similar obligations and updates the amounts of the asset and liability accordingly.

4 Application of new and revised International Financial Reporting Standards (IFRSs)

4.1 New and revised International Financial Reporting Standards

The following International Financial Reporting Standards (IFRSs), amendments and interpretations issued by IASB that became effective for the current reporting period:

• Amendments to IFRS 16 Leases- COVID-19-Related Rent Concessions beyond 30 June 2021
• Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16- Interest Rate Benchmark Reform-IBOR 'Phase 2'

During the current year, the management has adopted the above amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these financial statements. Their adoption has resulted in presentation and disclosure changes only.

4.2 International Financial Reporting Standards issued but not effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use. The effective date of the amendments is set for annual periods beginning on or after 1 January 2022.

Amendments to IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract: The effective date of the amendments is set for annual periods beginning on or after 1 January 2022.

Amendments to IFRS 3 - References to the Conceptual - The effective date of the amendments is set for annual periods beginning on or after 1 January 2022.

Annual Improvements to IFRS Standards 2018–2020 – Amendments to IFRS 1, IFRS 9, IFRS 16 Leases and IAS 41. The effective date of the amendments is set for annual periods beginning on or after 1 January 2022.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current - The effective date of the amendments is set for annual periods beginning on or after 1 January 2023.

4 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

4.2 International Financial Reporting Standards issued but not effective (continued)

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies - The effective date of the amendments is set for annual periods beginning on or after 1 January 2023.

Amendments to IAS 8 - Definition of accounting estimates – The effective date of the amendments is set for annual periods beginning on or after 1 January 2023.

Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction – The effective date of the amendments is set for annual periods beginning on or after 1 January 2023.

IFRS17 - Insurance Contracts and amendments to IFRS 17- The effective date of the standard is set for annual periods beginning on or after 1 January 2023.

5 Significant accounting policies

5.1 Revenue recognition

Sales of goods:

The company is in the business of trading of almonds and nuts.

Revenue from sale of goods is recognized at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers and have been accepted by the customers at their premises and there is no unfulfilled obligation that could affect customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and the company has objective evidence that all criteria for acceptance have been satisfied.

The amount of revenue is shown as net of discounts, returns, other similar obligations and VAT as per the performance obligations determined as per the provisions of the contracts with customers.

5.2 Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

5.3 Short term lease

The Company applies the short-term lease recognition exemption to its short-term leases of flexi-desk office premise (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on shortterm leases are recognized as expense on a straight-line basis over the lease term.

5 Significant accounting policies (continued)

5.4 Foreign currency transactions

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at the reporting date. Resulting gain or loss is taken to the Statement of comprehensive income.

5.5 Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

5.6 Financial instruments

Recognition and Initial measurement

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified as follows:

Financial assets at amortized cost (debt instruments)

Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss. Gains and losses are recognised in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables, other current financial assets and cash and cash equivalents. Due to the short term nature of these financial assets, their carrying amounts are considered to be the same as their fair values.

Classification and subsequent measurement of financial liabilities

For the purpose of subsequent measurement, financial liabilities are classified as follows:

• Amortised cost - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

PROVENTUS COMMODITIES DMCC

Notes to the Financial Statements

For the year ended 31 March 2022

5 Significant accounting policies (continued)

5.6 Financial instruments (continued)

• Fair values through profit or loss (FVTPL) - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

The company's financial liabilities include trade payables and other current financial liabilities. The carrying amounts of financial liabilities are considered as to be the same as their fair values, due to their short term nature.

Derecognition of financial assets and financial liabilities

Financial assets are de-recognised when, and only when,
• The contractual rights to receive cash flows expire or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
a) the Company has transferred substantially all the risks and rewards of the asset, or
b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment of financial assets

For trade receivables and contract assets, the Company applies a simplified approach in calculating expected credit losses. The Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

5.7 Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise of cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

6 Trade and other receivables

	2022 AED	2021 AED
Trade receivables	**254,926**	468,368
Advance to a supplier	-	760,725
Deposits	**1,000**	1,000
Prepayments	**9,996**	9,995
Other receivables	**17,168**	18,592
	283,090	1,258,680

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9:

7 Cash and cash equivalents

	2022 AED	2021 AED
Bank balances in current accounts	**877,236**	471,351

8 Share capital

	2022 AED	2021 AED
Authorised, issued and paid up share capital:		
2,302 shares of AED 1,000/- each	**2,302,000**	2,302,000

9 Trade and other payables

	2022 AED	2021 AED
Trade payables	**8,369**	393,727
Accrued expenses	**8,400**	5,775
Advances from customers	**116,718**	69,423
	133,487	468,925

10 Cost of sales

Cost of sales includes cost of almonds and nuts sold and other direct expenses incurred during the year.

PROVENTUS COMMODITIES DMCC

Notes to the Financial Statements
For the year ended 31 March 2022

11 Expenses

	2022 *AED*	*2021* *AED*
Rent expenses	17,456	18,813
Balance written off	5,218	-
Other administrative expenses	24,042	47,649
	46,716	66,462

12 Financial instruments: Credit, Market risk and Liquidity risk exposures

The company has exposure to the following risks from its use financial instruments:

a) Credit risk
b) Market risk
c) Liquidity risk

a) Credit risk

Financial assets, which potentially expose the company to concentrations of credit risk, comprise principally of trade receivables and bank balances.

Trade and other receivables

As at 31 March 2022, the company's maximum exposure to credit risk from trade receivables situated outside U.A.E., amounted to AED 254,926/- due from a customer (previous year AED 468,368/- due from a customer).

There is no significant concentration of credit risk from trade receivables situated within U.A.E. and outside the industry in which the company operates.

Bank balances

The company's bank balances in current accounts is placed with a high credit quality financial institution.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as exchange rate risk, interest rate risk or other price risk, which will affect the establishment's income or the value of its holding of financial instruments.

Interest rate risk

Since the company does not have any deposits or borrowings, interest rate risk is minimum.

Exchange rate risk

There is no significant exchange rate risk as substantially all financial assets and financial liabilities are denominated in UAE Dirham or in US Dollar to which UAE Dirham is fixed.

PROVENTUS COMMODITIES DMCC

Notes to the Financial Statements
For the year ended 31 March 2022

12 Financial instruments: Credit, Market risk and Liquidity risk exposures (continued)

c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the directors and the management who ensure that sufficient funds are made available to the company to meet any future commitments.

13 Financial instruments: Fair value

Financial instruments comprise of financial assets and financial liabilities. The fair value of the company's financial assets comprising of trade and other receivables and bank balances and financial liabilities comprising of trade and other payables approximate to their carrying values.

14 Contingent liabilities

There was no contingent liability of a significant amount outstanding as at the reporting date.

15 Comparative figures

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.